National Radar Council, National Microelectronics Council and Electronic Materials Development Council with a view to promote innovation product design and development and technology development which are all basic for the growth of a healthy electronics industry.

(b) Various research centres and laboratories such as the Society for Applied Microwave Electronics Engineering and Research, National Centre for Software Technology Centre for Development of Telematics, Centre for Development of Advanced Computing Technology, Centre for Materials for Electronics Technology for Development of Material and several Electronics Research and Development Centres have been set up to carry out R&D in well identified areas which is also a measure for developing self-reliant industrial base.

Export Promotion

(a) Government sponsor and facilitate various export marketing activities including visits of business delegation and participation in the Exhibition.

(b) Seminars/Workshops have been held to create awareness about the capabilities of Indian Electronics Industry in West Europe, USA etc.

(c) Action has been initiated to set up Software Engineering Centre to enable Indian Software Industry to acquaint themselves with the latest technologies for software development.

Promotion of Software production in the country

1249. SHRI S. K. T. RAMACHANDRAN : Will the PRIME MINISTER be pleased to state :

(a) what steps are being taken by Government to promote software production in view of the fact that in software production, India is in the forefront in the world;

(b) what facilities have been provided by Government to disseminate information regarding Marketing avenues abroad to new comers in the field ?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY, DEPARTMENT OF ELECTRONICS AND DEPARTMENT OF OCEAN DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI P. R. KUMARAMANGALAM) : (a) The following steps have been taken by the Government of India, Department of Electronics to strengthen and promote domestic software industry :—

(i) All the major Government users have been advised to advertise tenders separately for computer hardware and software, as software has separate identity.

(ii) All the major Government users have been advised that while floating tender documents for computer systems tender documents should only give specifications of the software packages and not the specific brand names.

(iii) All the major Government users have been advised that Indian Software Companies should as far as possible, be involved in the Software Development.

(iv) As Software piracy is one major inhibiting factor to Software Development, the Department of Electronics has taken various steps to curb software piracy.

The steps taken by the Government of India to boost Software exports are given in the Statement (*See* below).

(b) (i) The Department of Electronics with the assistance of World Bank got a study conducted to identify niche markets for Software and to identify strategies to address these markets. The findings of this study have been given wide circulation through the seminars. This report has also been made available to the industry.

(ii) General information regarding the software industry is also available through the offices of the Department of Electronics and Software Technology Park of India.

Statement

(i) A policy was announced in December, 1986 for integrated development of software for domestic and export market;

(ii) Double taxation on software has been removed:

(iii) As a major policy initiative, the Government have exempted the earnings, from software export from income tax under Section 80 HHE which is valid now upto 1992-93;

(iv) To give further boost to software export, the Department of Electronics have launched a scheme of Software Technology Park (STP). Software Technology Park is a 100% export oriented scheme for development and export of software using data communication link or in the form of physical export. This also acts as 100% export oriented resource centre for software export units. Under this scheme, the companies can set up their own units. The Department of Electronics through Software Technology Park of India an autonomous registered Society has also set up STPs at Pune, Bhubaneshwar, Bangalore, Hyderabad, Gandhinagar, Noida and Thiruvananthapuram to provide infrastructure support in terms of communication, core computers and built-up space;

(v) The Department of Electronics with the assistance of World Bank got a study conducted on India's Software and Exports Potential and Strategies. This study has been completed and its report has been given wide circulation;

(vi) The Department of Electronics has taken steps to set up high speed data communication telecom network. Satellite Earth Stations are being set up at Bangalore, Noida, Hyderabad, Gandhinagar and Bhubaneshwar;

(vii) In order to impart training to software professionals, the Department of Electronics has started a scheme for permitting import of Computer Systems with 25% duty with no export obligation; and

(viii) Export obligation formula has been rationalised for software exporters operating from Software Technology Parks.

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Foreign Investment in Electronics Sector

1250. SHRI KAMAL MORARKA : Will the PRIME MINISTER be pleased to state : (a) whether it is a fact that foreign investment worth Rs. 210 crore in the electronic sector, has been kept in abeyance;

(b) if so, the reasons for not clearing the foreign investment;

(c) what are the details of these proposals; and

(d) the number of foreign investment proposals received in electronic sector and the number thereof cleared so far ?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY, DEPARTMENT OF ELECTRONICS AND DEPARTMENT OF OCEAN DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI P. R. KUMARAMANGALAM) : (a) to (c) The Government of India, Ministry of Commerce vide their Notification No. 42(N.8)/92-97 September 14, 1992, published in the Gazette of India, notified the Electronics Hardware Technology Park (EHTP) scheme. Under this scheme, 14 proposals have been approved involving Foreign Direct Investment of US $ 23 million (Rs. 70 crores). The details of the approved proposals are given in the Statement (*See* below).

As the scheme has some novel features to ensure that there are no operational difficulties, there has been some time taken in issuing the follow up notifications. The Ministry of Industry has issued the Gazette notification dated 22-2-1993 relating to the scheme under the Industries (Development and Regulation) Act 1951. The Customs notification has been issued on 2-3-1993. The approved units will come into operation shortly.

(d) 21 foreign investment proposals in the electronic sector were received during 1992. All these proposals have been approved by the Government.